

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE APPLICATION OF HICKORY WATER )  
DISTRICT, OF GRAVES COUNTY, KENTUCKY, )  
FOR (1) A CERTIFICATE OF PUBLIC CON- )  
VENIENCE AND NECESSITY, AUTHORIZING )  
AND PERMITTING SAID WATER DISTRICT TO )  
CONSTRUCT A WATERWORKS CONSTRUCTION )  
PROJECT, CONSISTING OF EXTENSIONS, )  
ADDITIONS, AND IMPROVEMENTS TO THE )  
EXISTING WATERWORKS SYSTEM OF THE )  
DISTRICT; (2) APPROVAL OF THE PRO- )  
POSED PLAN OF FINANCING OF SAID PRO- )  
JECT; AND (3) APPROVAL OF THE IN- )  
CREASED WATER RATES PROPOSED TO BE )  
CHARGED BY THE DISTRICT TO CUSTOMERS )  
OF THE DISTRICT )

CASE NO. 8355

AMENDMENT TO INTERIM ORDER

The Commission finds that its Interim Order dated December 2, 1981, should be amended. IT IS THEREFORE ORDERED that the December 2, 1981, Order is amended by the addition of the following statement:

The Commission will, by subsequent Order, address the rate adjustments proposed by Hickory Water. A fundamental rate-making principle of this Commission is that the utility under efficient management should be allowed rates sufficient to produce revenues which cover its reasonable operating expenses and interest costs, and provide for a margin which allows growth in surplus. This principle not only insures that the utility has adequate cash flow in the form of depreciation but also that the customer does not pay for imprudently incurred costs.

All other provisions of the Commission's Order of  
December 2, 1981, shall remain in full force and effect.

Done at Frankfort, Kentucky, this 15th day of December, 1981.

PUBLIC SERVICE COMMISSION

Marlin M. Volk  
Chairman

Katherine Randall  
Vice Chairman

Don Carrejo  
Commissioner

ATTEST:

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Secretary